UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

CAROL'S DAUGHTER HOLDINGS, LLC,

Plaintiff,

v.

No. 08-CV-8498 (GBD)(AJP)

CAROL'S EXPRESS LLC, CVS PHARMACY, INC., TURNS & TRENDS, INC., and DONYALE JERMAINE BUSH,

Defendants.

DECLARATION OF LISA PRICE IN SUPPORT OF CAROL'S DAUGHTER HOLDINGS, LLC'S ORDER TO SHOW CAUSE AS TO WHY A PRELIMINARY INJUNCTION SHOULD NOT ISSUE

I, LISA PRICE, pursuant to 28 U.S.C. section 1746, declare as follows:

- 1. I am the founder of the CAROL'S DAUGHTER brand and President of Plaintiff Carol's Daughter Holdings, LLC ("Carol's Daughter"). I make this statement based on my personal knowledge, and if called as a witness I could and would testify competently hereto. I understand that my Declaration will be offered in support of Carol's Daughter's proposed Order to Show Cause, and I state that Carol's Daughter has made no previous application for relief to this Court or any other court on this matter.
- 2. I started Carol's Daughter in 1993 when I began selling home-made fragrances made from scented oils and blended in my kitchen in Clinton Hill, Brooklyn.

- 3. I named my product line "Carol's Daughter" in honor of my mother, Carol. The sentiment behind the name "Carol's Daughter" was that I was my mother's child. I also wanted to acknowledge how she, my father, and my family made me who and what I am today. I also named my company "Carol's Daughter."
- 4. Carol's Daughter first filed a trademark application for a logo of CAROL'S DAUGHTER written in a script-like font and decorated with a flower on July 15, 1998. This mark was registered on August 3, 1999 with the registration no. 2267239, and was cancelled on May 6, 2006. The Certificate of Registration is attached as Exhibit 1.
- As the CAROL'S DAUGHTER logo evolved, Carol's Daughter applied for further registrations for the additional incarnations of the logo.
- 6. In 2004, Carol's Daughter redesigned its mark CAROL'S DAUGTHER, and on May 27, 2005, filed a trademark application for the redesigned mark. The redesigned mark was registered on May 9, 2006 with the registration no. 3090258. The Certificate of Registration is attached as Exhibit 2. A reproduction of the mark appears immediately below:



7. In or around 2005, Carol's Daughter also began using an unregistered mark called "Beauty by Nature":



- 8. The Carol's Daughter "Beauty by Nature" mark is currently used on our advertising and promotional materials. For example, the Carol's Daughter "Beauty by Nature" mark appears on the face of our current brochure, the cover of which is attached as Exhibit 3.
- 9. Carol's Express uses a mark that contains many of the same stylistic elements as the CAROL'S DAUGHTER mark, such as the script form for the word "Carol's," a flower above the scripted text, and sans-serif lower-cased text below the scripted text:



- 10. A trademark application for the standard character mark for CAROL'S DAUGTHER was filed on May 27, 2005. The mark was registered on May 9, 2006 with the registration no. 3090260. The Certificate of Registration is attached as Exhibit 4.
- 11. In 2007, Carol's Daughter had sales of over \$15 million, and invested over \$1.7 million in advertising and marketing to maintain its reputation, goodwill and market position.
- 12. On August 21, 1999, Carol's Daughter opened its first retail store at 1 South Elliott Place in Brooklyn, New York. Carol's Daughter continued wholesale distribution to salons and boutiques.

- 13. In 2000, Carol's Daughter started a website at www.carolsdaughter.com which allowed customers in the United States and Canada to buy Carol's Daughter's products online.
- 14. In 2005, Carol's Daughter opened a second store at 24 West 125th Street in New York. In September 2008, I personally saw Carol's Express products being sold at a CVS at 105 West 125th Street, right down the street from the Carol's Daughter retail store located at 24 West 125th Street.
- 15. In 2006, two additional Carol's Daughter retail stores opened in New York. In 2007, three additional Carol's Daughter retail stores opened in New Jersey, Maryland and California.
- 16. Between 2006 and 2008, wholesale distribution of Carol's Daughter's products grew to include over 200 locations. Some of these locations include Sephora, Macy's, and Dillards where counters or sections of the store are designated exclusively for Carol's Daughter's products.

17. In 2008, Carol's Daughter's products also began to be promoted and sold through the Home Shopping Network, which considers Carol's Daughter an HSN Top Brand. Carol's Daughter products and I have also been featured on television in *The Oprah Winfrey Show*, *The Today Show*, *The View*. *The Tyra Banks Show*, and the *Home Shopping Network*, among others, and in print in *Ehony*, *Essence*, *Glamour*, *InStyle*, *Upscale* and *Lucky*, among others. Indeed, I am featured in the current issue of *Newsweek*, which is attached as Exhibit 5.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I executed this declaration on October 8, 2008 in New York, New York.

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Int. Cl.: 3

Prior U.S. Cls.: 1, 4, 6, 50, 51 and 52

United States Patent and Trademark Office Registered Aug. 3, 1999

Reg. No. 2,267,239

TRADEMARK PRINCIPAL REGISTER



Carol's Daughter

7-0-1993.

PRICE, LISA (UNITED STATES CITIZEN), DBA CAROL'S DAUGHTER 282 VAN BUREN STREET BROOKLYN, NY 11221

FOR: BODY CARE PRODUCTS, NAMELY, BODY BUTTERS, BODY AND BATH OILS, LIQUID SOAPS, BAR SOAPS, MASSAGE OILS, NON-MEDICATED BATH SALTS, SEA SALT BODY SCRUBS, BODY JELLIES, LOTIONS, CREAMS, NON MEDICATED LIP BALM, SHAVING LOTION, SHAMPOOS, HERBAL HAIR RINSES, HAIR POMADES, HAIR OILS, PERFUMES AND POT POURRI, IN CLASS 3 (U.S. CLS. 1, 4, 6, 50, 51 AND 52). COMMERCE FIRST USE 7-0-1993; IN

SER. NO. 75-519,270, FILED 7-15-1998.

CAROLINE WHITMIRE, EXAMINING ATTOR-NEY

Int. Cls.: 3, 4 and 35

Prior U.S. Cls.: 1, 4, 6, 15, 50, 51, 52, 100, 101 and 102

United States Patent and Trademark Office

Reg. No. 3,090,258 Registered May 9, 2006

TRADEMARK SERVICE MARK PRINCIPAL REGISTER



LISA'S KITCHEN, LLC (DELAWARE LTD LIAB CO)

282 VAN BUREN STREET BROOKLYN, NY 11221

FOR: BODY CARE PRODUCTS, NAMELY, BODY BUTTERS, BODY AND BATH OILS, LIQUID SOAPS, BAR SOAPS, MASSAGE OILS, NON-MEDICATED BATH SALTS, BODY SCRUBS, BODY JELLIES, LOTIONS, CREAMS, NON-MEDICATED LIP BALM, FACIAL CLEANSERS, FACIAL TONERS, SHAVING LOTION; HAIR SHAMPOOS, HAIR RINSES, HAIR CONDITIONERS, HAIR POMADES, HAIR OILS; PERFUMES AND FRAGRANCES; INCENSE; POTPOURRI, IN CLASS 3 (U.S. CLS. 1, 4, 6, 50, 51 AND 52).

FIRST USE 12-1-2004; IN COMMERCE 12-1-2004.

FOR: CANDLES, IN CLASS 4 (U.S. CLS. 1, 6 AND 15).

FIRST USE 12-1-2004; IN COMMERCE 12-1-2004.

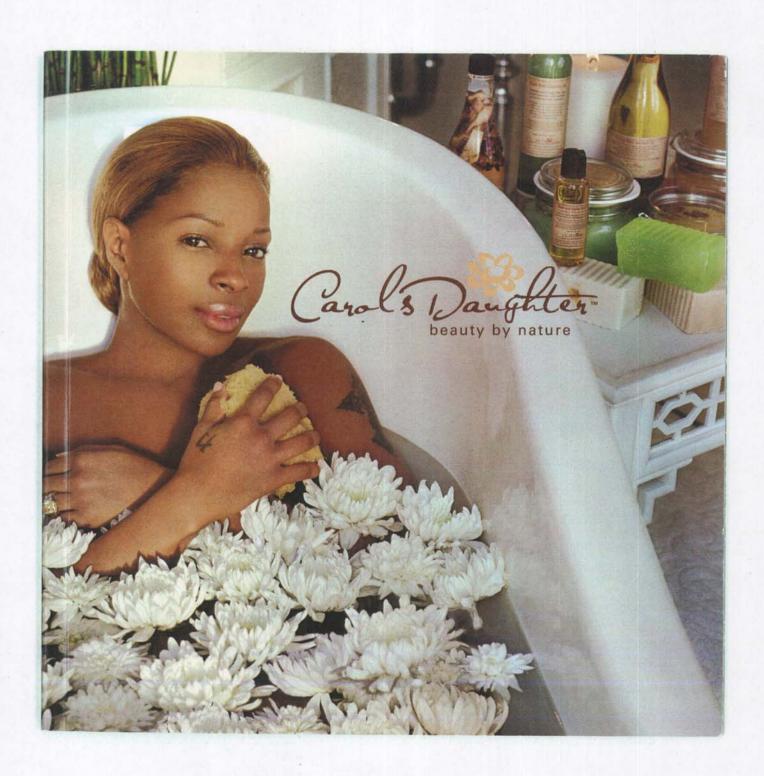
FOR: ELECTRONIC AND MAIL ORDER CATALOG SERVICES FEATURING BODY AND HAIR CARE PRODUCTS, FRAGRANCES, INCENSE, POTPOURRI AND CANDLES, IN CLASS 35 (U.S. CLS. 100, 101 AND 102).

FIRST USE 12-1-2004; IN COMMERCE 12-1-2004.

OWNER OF U.S. REG. NO. 2,267,239.

SER. NO. 78-638,859, FILED 5-27-2005.

JASON ROTH, EXAMINING ATTORNEY



Int. Cls.: 3, 4 and 35

Prior U.S. Cls.: 1, 4, 6, 15, 50, 51, 52, 100, 101 and 102

United States Patent and Trademark Office

Reg. No. 3,090,260 Registered May 9, 2006

TRADEMARK SERVICE MARK PRINCIPAL REGISTER

CAROL'S DAUGHTER

LISA'S KITCHEN, LLC (DELAWARE LTD LIAB CO) 282 VAN BUREN STREET BROOKLYN, NY 11221

FOR: BODY CARE PRODUCTS, NAMELY, BODY BUTTERS, BODY AND BATH OILS, LIQUID SOAPS, BAR SOAPS, MASSAGE OILS, NON-MEDICATED BATH SALTS, BODY SCRUBS, BODY JELLIES, LOTIONS, CREAMS, NON-MEDICATED LIP BALM, FACIAL CLEANSERS, FACIAL TONERS, SHAVING LOTION; HAIR SHAMPOOS, HAIR RINSES, HAIR CONDITIONERS, HAIR POMADES, HAIR OILS; PERFUMES AND FRAGRANCES; INCENSE; POTPOURRI, IN CLASS 3 (U.S. CLS. 1, 4, 6, 50, 51 AND 52).

FIRST USE 12-1-2004; IN COMMERCE 12-1-2004.

FOR: CANDLES, IN CLASS 4 (U.S. CLS. 1, 6 AND 15).

FIRST USE 12-1-2004; IN COMMERCE 12-1-2004.

FOR: ELECTRONIC AND MAIL ORDER CATA-LOG SERVICES FEATURING BODY AND HAIR CARE PRODUCTS, FRAGRANCES, INCENSE, POT-POURRI AND CANDLES, IN CLASS 35 (U.S. CLS. 100, 101 AND 102).

FIRST USE 12-1-2004; IN COMMERCE 12-1-2004.

THE MARK CONSISTS OF STANDARD CHARACTERS WITHOUT CLAIM TO ANY PARTICULAR FONT, STYLE, SIZE, OR COLOR.

OWNER OF U.S. REG. NO. 2,267,239.

SER. NO. 78-638,904, FILED 5-27-2005.

JASON ROTH, EXAMINING ATTORNEY

THE 'LIFE JACKET' ECONOMY WOMEN & LEADERSHIP

Newsweek

Daniel Gross, Robert J. Samuelson, Jacob Weisberg and Fareed Zakaria on

How to Capitalism

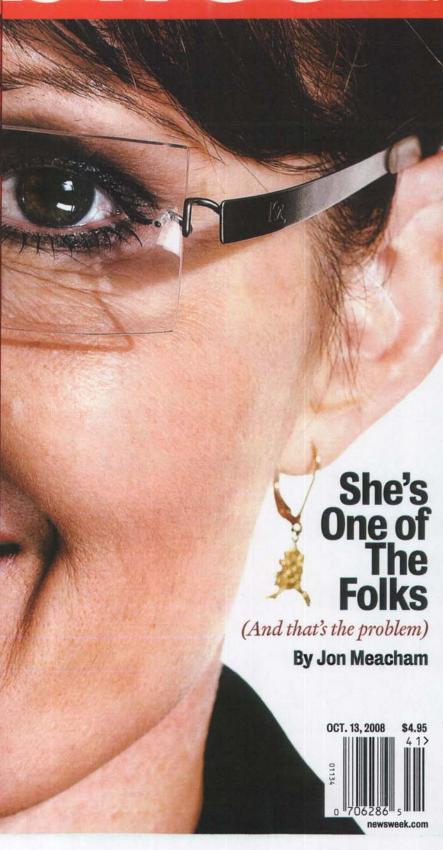
The Reason for Palin, And What McCain Must Do By Karl Rove

> Biden Off the Record By Jonathan Alter

The End of the Age of Reagan
By Francis Fukuyama

Women and Leadership: Lessons and Oral Histories From Female Trailblazers

In Search of Sally Hemings
By Jennie Yabroff





As I was growing the business, I would sometimes feel overwhelmed. But my mother taught me to smile through adversity, to know that I wouldn't be given the job if I couldn't do it. It's appropriate that the company is named after her.

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My mother and I used to

The other important person in my company's growth is Steve Stoute. He is a hardworking, self-made entrepreneur who began in the music business. He is also a brilliant marketer who has helped me take things to the next level by recruiting celebrity investors and spokesmodels like Jada Pinkett Smith and Mary J. Blige. We wouldn't be in Sephora if I were still on my own. We wouldn't be in Macy's. That's what you give up equity for. You do that to grow.

Carol's Daughter has made other people in the beauty business look at African-American consumers in a different way. When I first started to do this, the black products were always at the back of the drugstore on the lower shelves. They were always dusty, dirty and sticky; they looked like nobody ever touched them. That's changing. I can't begin to tell you how amazing it is that my products are in Sephora. It's great to be part of that shift.

LISA PRICE, Founder, Carol's Daughter Bath and Body Works

The Sweet Smell of Success, Thanks to Mom

Y IDEAS ABOUT HOW I want to run my business grew out of the way I was raised. None of my successes would have been possible without my family. I may feel frightened or scared or unsure about what I'm supposed to do next, but I have never felt alone. My grandparents emigrated from Trinidad. My mom's mom and dad had seven children; my mom was the baby. The seven children raised their children the way they were raised, so my cousins are like brothers and sisters to me.

I have loved fragrance since I was a small child. I used my allowance to buy perfume, not clothes. I was a huge Prince fan, and I read that he had a fragrance bar on his dresser so he could mix

scents. So I found a way to make my own fragrances blending perfume oils.

Over the years, it became something I did to relax. My mother was the one who suggested I start selling my body cream at a church flea market in the summer of 1993. By the end of that first day, I was pretty much sold out. I made another batch and spent most of that summer at street fairs and flea markets, paying close attention to my customers. I noticed that they were looking for hair products. So I started making things for hair to keep them from walking away from my table.

My day job was in television and film production, but customers started to call me for refills. The weather was too cold for flea markets, so I had

them come to my apartment. I continued selling out of my home until 1996, when I was expecting my first child. I quit TV because I knew I couldn't do that, be a mom, be a wife and do this business.

I came up with the name at the very beginning. I made a list of things that I was and a list of things I wanted to become. There were other things on the list, like Robert's daughter and Gordon's girlfriend. But when I said Carol's daughter, I got goose

I have loved fragrance since I was a child. I used my allowance to buy perfume.